



WEST YORKSHIRE POLICE AND CRIME PANEL

7 February 2020

PRECEPT PROPOSAL 2020/21

SUMMARY

This paper sets out for the Panel:

- 1. The legal requirements for notification of the precept proposal;**
- 2. The provisional police grant settlement for 2020/21;**
- 3. The medium term position;**
- 4. The draft budget for 2020/21;**
- 5. The funding strategy;**
- 6. Precept options considered by the PCC;**
- 7. The decision by the PCC;**
- 8. The PCC's recommendation to the Panel.**

1. LEGAL REQUIREMENTS FOR NOTIFICATION OF THE PRECEPT PROPOSAL

- 1.1 The Police and Crime Commissioner (PCC) is required under Schedule 5 of the Police Reform and Social Responsibility Act 2011 and associated regulations to notify the Police and Crime Panel of the proposed precept for 2020/21 by 1 February 2020.
- 1.2 The Panel must review the proposed precept by 8 February and make a report to the PCC.
- 1.3 The PCC must have regard to and give the Panel a response to their report. The Panel has a right to veto the proposed precept if at least two thirds of the Panel vote in favour of making that decision. Where this right is not exercised the PCC may issue the precept. If the Commissioner's proposal is vetoed by the Panel, a revised proposal must be notified to the Panel by 15 February.
- 1.4 The Panel must review the revised proposal and make a report to the PCC by 22 February. The PCC must respond to the report and issue his precept by 1 March.

- 1.5 Rejection by the Panel of the revised precept does not prevent the PCC issuing it as his precept for the forthcoming financial year.
- 1.6 The PCC has a statutory duty to set a balanced budget and calculate the Police Council Tax Requirement for the forthcoming financial year. The budget report including the statutory calculations will be considered by the PCC once the Panel has reached the end of its scrutiny process.

2. THE PROVISIONAL POLICE GRANT SETTLEMENT 2020/21

Key Points

- 2.1 The 2020-21 Police Finance Settlement was only announced on 22 January in a written statement by the Policing and Fire Minister, Kit Malthouse. Publication of the Police Finance Settlement was delayed due to the December 2019 general election, with Home Office ministers opting to go straight to a final settlement in the New Year. This decision meant that there was no provisional settlement or consultation over the Christmas period. Unlike the Ministry of Housing, Communities and Local Government (MHCLG), the Home Office are not legally obliged to consult on their funding allocations.

Prior to the 2020-21 settlement publication we were expecting that nationally there would be an additional £750m for the recruitment of 6,000 officers nationally (towards the 20,000 national total over three years), minus a reallocation for central costs. Allocations of officer numbers had already been published and had been calculated pro-rata to core grant. In return for this additional money the Treasury had asked the Home Office to find a further £120m of savings from within their national budget. The key points to note from the statement are:

- £10 precept flexibility for all PCCs, or equivalent
- The settlement was a one year only settlement
- £50m of the £750m national funding retained centrally to support recruitment of officers
- Of the remaining £700m - £532m via un-ringfenced core grant, £168m ringfenced for successfully meeting recruitment targets
- No other inflationary increases are provided for in the core grant
- Core funding has only increased by the uplift funding and therefore all pay rises and non-pay inflation have to be met by existing budgets
- A 74% reductions in capital grant funding to PCCs
- £92m (9%) increase in reallocations for national programmes and services to over £1.1bn in 2020-21 show in the table below:

Police Funding	2019/20 (£m)	2020/21 (£m)
Total Reallocations and adjustments, made up of:	1,029	1,120

PFI	73	73
Police technology programmes (including the Emergency Services Mobile Communication Programme)	495	498
Arm's length bodies (HMICFRS, College of Policing, IPCC)	63	73
Police Uplift Programme	-	17
Strengthening the response to Organised Crime	90	140
Counter Terrorism	-	32
Top Ups to NCA and ROCUs	56	57
Police Transformation Fund	175	-
National Capability Programmes	-	47
Special Grant	73	81
Forensics	-	29
Pre-charge bail	4	2
Serious Violence	-	39
PRUM (Transition from EU systems)	-	2
HO STAR (Science, Technology and Research)	-	8
Blue Light Commercial	-	4
Police Now	-	7
Safer Streets Fund	-	10

- Capping criteria was set so that all Police and Crime Commissioners are able to increase the band D equivalent charge by up to £10 a year without triggering a local referendum. West Yorkshire remains the 3rd lowest Police Council Tax in England and Wales, with around 71% of properties falling in bands A, B and C.

2.2 Core Funding

	2019/20 £000	2020/21 £000
DCLG/Formula Funding	130,051	130,051
Home Office Police Grant	172,809	172,809
Uplift Reinvestment	0	22,666
Uplift Grant	0	7,158
Total Formula Funding	302,860	332,684

2.3 **Localised Council Tax Support and Legacy Council Tax Freeze Grant**

Payment of localised council tax support and legacy council tax freeze grant is now funded through the Home Office. West Yorkshire's allocation for 2020/21 is **£16.69m**, which is in line in cash terms with the 2019/20 allocation. At this stage we do not know if the legacy council tax freeze grant will be built into the core grant in future years which adds uncertainty. The £332.684m core funding shown above added to the £16.69m referred to in this paragraph, less the separate £7.2m uplift grant gives the total external support shown in the MTF of £342.193m.

- 2.4 The 2020/21 budget includes the Community Safety Fund (CSF), the grant for which was £5.292m in 2013/14 (base line). The PCC has agreed to continue to ring-fence and passport the CSF to local government partners for an additional year continuing his strong commitment to partnership working and joint working through each of the Community Safety Partnerships in each Council district.

Other Grants

2.5 **Counter Terrorism Specific Grant**

Allocations to Counter Terrorism units will be announced further into the year by Government, but will not be made public. Funding will be increased from £816m to £960m overall nationally. This does not however mean that there will be a local increase.

2.6 **Capital Grant**

The capital budget provisional settlement is £0.45m which is a 74% cut from 2019/20. This is a continuation of the reduced level of funding for capital which again requires use of phased reserves to help continue to transform the organisation, making it fit for the future.

3. **MEDIUM TERM POSITION**

The Financial Context

- 3.1 The Medium Term Financial Forecast presented today shows a balanced position for 2020/21 following the use of £3.4m of revenue reserves and the position for future years, if the significant saving plans in place are met, as:

- 2021/22 £15.2m shortfall
- 2022/23 £14.1m shortfall
- 2023/24 £9.9m shortfall

Operational Context and Workforce Planning

3.2 The 2020/21 budget is based upon the following numbers at 31 March 2021:

	Officers	Police Staff	PCSOs	Total:
Total FTEs	5393	3890	603	9886
National or Regional Commitments including, NECTU, Regional Crime NPAS, Regional Scientific Support, VIPER and national firearms.	373	873		1246
WY core availability	5020	3017	603	8640

West Yorkshire Police have appointed 357 new student officers this financial year to date and there are plans to appoint a further 156 before the end of March 2020. In addition West Yorkshire Police have appointed 19 transferees since 1 April 2019 and a further 22 are to be appointed in February. This takes the total number of new police officers appointed in 2019/20 to 554 a **net increase of 186 officers** once all retirees and leavers are taken into account (in addition to the 160 officers that were over-profile as at the 31st March 2019.)

PCSO recruitment has continued throughout the year, with 65 new appointments being made to date and a further 40 being appointed by 31st March 20 and therefore forecast to be 589 FTEs by 31st March 20.

The 2020/21 proposed budget allows **additional budgeted posts for West Yorkshire** as at 31/3/2021 of:

- 311 Officers (net)
- Over 100 Police Staff
- PCSO numbers protected around 600

The Medium Term Financial Forecast has been prepared alongside current workforce planning. The continuing Programme of Change initiatives also feed into the workforce plan and may result in the re-assessment of the workforce mix going forward to meet the outcomes and priorities included in the Police and Crime Plan.

Workforce planning includes predicting police officer leavers of each rank, PCSO and police staff leavers, workforce modernisation plans and recruitment plans, including probationers and transferees. Other variables that may impact on the recruitment strategy continue to be monitored i.e. career breaks, and secondees returns.

3.3 Despite the uplift funding for 2020/21, a serious concern remains about the longer term pressures given the very significant reduction in the size of West Yorkshire Police’s budget and the increasing demand and complexity of policing activity. The following table provides further information around the types of threats, risks and harm facing West Yorkshire Police (captured in the most recent Force Management Statement (FMS)), its partners and our communities as set out in the Police and Crime Plan.

Total Crime	Total crime per 1,000 population is now falling within West Yorkshire. Recorded crime for the first nine months of 2019/20 (to December 2019) is 1.9% lower than in the same period last year. Good reductions have been achieved since April for a range of offences including burglary, robbery, vehicle offences and serious violent crime. The Force does record more crime per 1000 population than other forces nationally. Recorded crime statistics are influenced by each Force’s determination to achieve a high standard of crime recording accuracy and its desire to place victims at the forefront of crime recording arrangements. In 2019 West Yorkshire Police were reported as being the first Metropolitan Police Force to be judged as ‘Outstanding’ by the HMICFRS following a Crime Data Integrity Inspection. This ‘Outstanding’ grading reflects the substantial progress the Force has made to achieve a high standard of crime recording accuracy.
Missing Persons	There has been a long term increase in the number of missing person investigations, which continue to have a considerable impact on frontline resources. In 2019 the Force recorded more than 16,500 missing person occurrences. However, multi-agency problem solving is now having a positive impact on the number of people going missing. In 2018/19 the Force reported a 13% reduction in missing people occurrences and the positive downward trend has continued into 2019/20. The very latest figures show that in the 12 months to December 2019, missing occurrences fell by 12.0%, 2,270 fewer occurrences than in the previous year. Despite the reductions, missing persons still presents a significant demand pressure, particularly high risk missing persons, which account for around 27% of child and 37% of adult missing persons. There are also links with other vulnerabilities, as just over 60% of all missing occurrences involve children and around one fifth of all missing occurrences involving children identify a risk of sexual exploitation.
Mental Health	Protecting the vulnerable continues to place a great deal of demand on the police who are working in improved partnerships to provide the right support to those with mental health issues at the right time from the right partner. The Force reported a 33% increase in mental health incidents in 2018 equating to more than 5,000 additional mental health related incidents during the year. Over 23,000 incidents were reported in 2019 where mental

	<p>health was identified as being a factor, which continues the long term upward trend. The FMS shows that in 2018 around 54% of all arrestees had an entry on their mental health risk assessment. The FMS predicts a continuing increase in mental health incidents. In addition to volume there continues to be capacity and capability issues, with insufficient health based places of safety.</p>
<p>Child Sexual Exploitation and Abuse (CSEA)</p>	<p>This continues to be a key risk for West Yorkshire Police and partners, with improved confidence to report, a strong focus on non-recent incidents and large scale investigations leading to significant increases in reports of CSEA. There has been almost 6,500 offences of CSEA recorded in the latest 12 months to December 2019. The FMS predicts that CSEA offences could increase to 10,600 incidents by 2023, however recent performance has seen a stabilising of that upward trend. Non-recent investigations, which are often complex and protracted, account for around a third of all offences recorded and work at a national level (Independent Inquiry into Child Sexual Abuse and the Truth Project) suggests the increase will continue. The FMS highlights in particular, concern around indecent images of children and livestreaming of abuse, which nationally are predicted to increase.</p>
<p>Modern Slavery/Human Trafficking (MSHT)</p>	<p>This issue continues to gather momentum in a similar way to Child Sexual Exploitation. West Yorkshire is one of the highest referrers of Potential Victims of Trafficking to the National Referral Mechanism with significant increases over the last few years. These offences result in particularly complex investigations and have increased from 19 offences in 2013 to 542 in 2019. The FMS predicts that the volume of reported offences will more than double by 2023 as it is widely recognised that the true scale and nature of MSHT is not known. Some of the increase is also due to increased awareness and focus on the exploitation of children and vulnerable adults, linked in particular to county lines, but also other offences such as organised acquisitive crime. The National Crime Agency estimate there are around 13,000 victims of MSHT.</p>
<p>Cyber Crime</p>	<p>The nature and scale of both cyber-enabled and cyber dependent crime is still not fully understood. However both are predicted to increase in light of the proliferation of technology and the increasing prevalence of the 'online world', which is facilitating a broad range of organised crime such as fraud, drugs and online CSEA. 99% of cyber-crime is cyber enabled and continues to fall into three main categories; Harassment/Unwanted contact, Sexual/Indecent reports and Fraud. The Force is facing capacity and capability issues, as most investigations now involve some digital footprint, requiring increased digital capabilities.</p>
<p>Domestic Abuse</p>	<p>Improved recording, victim confidence and better identification of vulnerability by officers has resulted in a significant increase in recorded domestic abuse incidents</p>

	<p>over the past five years. In 2018/19 the Force recorded over 65,000 domestic incidents and the very latest figures report over 64,000 incidents for the 12 months to December 2019. The FMS highlights domestic abuse as a particular area of concern, predicting a 27.7% increase (or an additional 17,915 incidents) by 2023. A stabilising trend suggests that volumes may be slightly lower, although the likelihood of a crime being recorded following an incident continues to rise with implications for workloads. Analysis also shows that the repeat rate for both victims and offenders is increasing and that the level of risk has increased. Of concern is that in around 30% of incidents a child is present, which is a key predictor for future offending and a recognised Adverse Childhood Experience.</p>
Sexual Offences	<p>Increased victim confidence in reporting has contributed to a long term increase in sexual offences. In the 12 months to December 2019 the Force recorded 8,414 sexual offences, 41% (3,469) of which were rape offences, which places significant capacity issues on the Forces specialist safeguarding resources. The FMS predicts a 21.8% increases in sexual offences by 2023.</p>
Anti - Social Behaviour (ASB)	<p>ASB is a key concern for communities and presents high volume demand for the Force albeit the number of incidents is on a downward trend. In the 12 months to December 2019 there were just over 45,000 ASB incidents compared to almost 60,000 in 2017/18. A number of Anti-Social Behaviour hotspots are repeat locations and these high demand generators require multi-agency problem solving. The FMS predicts a 10.4% reduction in ASB by 2023. The strong focus on neighbourhood policing and early intervention given recent investment, is aimed at achieving long term demand reduction through effective problem solving.</p>
Road Safety	<p>Road Safety is a key concern for communities and a priority area in the Police and Crime Plan. The number of fatalities in the first nine months of 2019 (January-September) is reported at 44, which whilst lower than the same period last year (53) maintains the recent trend of higher levels of fatalities on West Yorkshire's roads. The total number of Killed or Seriously Injured (KSI) casualties so far in 2019 is down by 5.1% from 645 to 612 with reductions reported for car occupants and pedestrians. However KSIs in relation to cyclists and motorbike riders have risen since January. ASB related to road safety (inconsiderate parking for example) continues to be an issue raised in confidence surveys across all Districts and recorded driving offences resulting in death have increased to 40 (up 29% April to December 2019).</p>
Economic Crime / Fraud	<p>Fraud is predicted to increase and whilst the ONS report that this is now the most frequently experienced crime (3.47 million incidents in 2018), it is still significantly under reported. In particular the FMS predicts that the cyber element of fraud will increase and highlights that nationally</p>

	<p>financial abuse against vulnerable adults and a rise in young people exploited around fraud is increasing. Money laundering remains a cross cutting threat area relied upon to facilitate all serious and organised crime and is therefore an ongoing threat.</p>
Residential Burglary	<p>The Force has the highest rate of residential burglary, however good reductions are being reported so far in 2019/20. In the nine months since April, there has been a 14.8% reduction in residential burglary equating to over 2,000 fewer victims. There is however an increasing element of burglary which is associated with organised crime.</p>
Violent Crime	<p>Most serious violent crime is relatively low in West Yorkshire when compared to some other Metropolitan Forces and encouragingly the number of serious assaults is falling in 2019/20. In the nine months since April 2019 the Force has recorded 1,507 serious violent crimes which reflects a 5.3% reduction. Knife crime has also fallen since April with a 9.2% reduction reflecting 181 fewer knife crime offences so far this year. However, there has been a 19.1% increase in offences of possession of a knife or bladed instrument (to 693).</p>
Registered Sex Offenders	<p>The number of Registered Sex Offenders remains high with 3,021 currently at liberty in the Force area and a further 1,114 in custody. 540 of the RSOs currently at liberty are assessed as being either High or Very High risk and we predict that this increase will continue over the next few years, particularly as we continue our focus on vulnerability and sexual offences. The FMS predicts a 7.1% increase in RSOs by 2023.</p>
Criminal Exploitation of Children and Vulnerable Adults and County Lines	<p>Forces are starting to uncover new threats around the criminal exploitation of children and vulnerable adults. This is associated with a number of crime types including drugs distribution, preparation and storage (county lines) and organised theft. This is an area of increasing focus for the Force as we seek to both address and understand the complex relationship between most serious violence and organised crime/drugs, in particular Urban Street Gangs and county lines, which as a business model involves the exploitation of children and vulnerable adults.</p>
Adult Safeguarding	<p>Understanding of the scale and threat around adults at risk is limited however, trends would suggest that Adult Safeguarding crime/demand will increase, as the elderly population are growing at the fastest rate and nationally it is expected that 2.8 million people aged over 65 will be in need of nursing and social care by 2025. The potential for neglect and crimes against elderly people is therefore increasing.</p>
Calls for Service	<p>In 2018/19 the Force received just over 1.6 million calls for service. The FMS predicts that over the next four years this will increase by 12.6% to over 1.8 million, with particular concerns around the predicted increase in 999 calls (projected to increase by 27.9% by March 2023).</p>

- 3.4 Other issues for a large metropolitan force such as West Yorkshire include the high level of threat presented by organised crime (and the links between drugs and firearms). Whilst JTAC has downgraded the terrorism threat to SUBSTANTIAL, an attack is still likely and the impact it can have on community cohesion, public order and hate crime remains a very real threat. All these areas require either significant or continued investment as demand for service remains high.
- 3.5 The longer term position also needs to ensure that our operating model remains fit for purpose for the future and growing operational challenges, e.g. on-line/cyber-crime, child sexual exploitation and abuse (current and non-recent), modern slavery/human trafficking, domestic abuse, violent crime, criminal exploitation of children and vulnerable adults and adult safeguarding. It also needs to take into account of the Strategic Policing Requirement (which covers organised crime, public order, civil contingencies, terrorism, CSEA and a major cyber incident).
- 3.6 The above threats and risks are reflected in the budget through increased resources being allocated to:
- Local Policing – Early Intervention
 - Criminal Justice – Two Way Interface (TWIF) and Rape & Serious Sexual Offences (RASSO) roles
 - Operational Support - Roads Policing, Dog Unit, Taser Capability & Firearms Intelligence
 - Digital Investigations - Digital Forensics, investigators and equipment
 - Digital Policing - IT Security and Information Management
 - People – Resourcing, Police Education Qualifications Framework (PEQF) training capacity
- 3.7 The operational benefit sought by increasing resource in each of these are detailed in Appendix F.
- 3.8 In addition to this investment the PCC will continue to set aside additional funding for community safety projects with our CSP partners covering areas such as preventing anti-social behaviour and road safety.

4. DRAFT BUDGET 2020/21

- 4.1 The Medium Term Financial Forecast includes the following main assumptions/pressures:
- Increase in Government funding assumed at flat grant for 2020/21 and GDP thereafter
 - Pay inflation assumed at 2.5% from 2020/21, plus FYE of September 2019 2.5% increase in 2020/21
 - Precept has been assumed at 4.99% (£9.33) for 2020/21 then £5 thereafter

- WYP receiving 4.2% grant allocation share of the national Police Uplift Programme (PUP) of 20,000 officers and 6,500 police staff. The 4.2% split means that 852 officers have been built into the MTFP over the 3 year period with 311 built in by March 2020/21 in line with Strategic Workforce Planning model and higher than the 256 government target by March 2021
- 50/50 split apprentice recruits to degree holders
- There remains uncertainty around the impact of EU Exit in terms of operational, interest rates, exchange rates and inflation impact but continues to be monitored

4.2 While the budget balances in the short term to medium term there are significant savings required to achieve this and a very uncertain funding landscape beyond 2020/21.

Savings on both pay and non pay items have been built into the 2020/21 budget, including police officer and police staff pay, overtime and allowances, transport and travel, estates, and savings that are anticipated through ongoing Programme of Change reviews.

At this point it is unclear what the settlement will be for Policing in the next Comprehensive Spending Review (CSR). Significant work is being undertaken to highlight the pressures on Policing, but additional funding is by no means guaranteed.

It is still intended that there will be a funding formula change impacting the allocation of Police Grant to PCCs, this adds to the uncertain position on the medium to long term funding, given that around 72% of funding in West Yorkshire is made up of core police grant.

4.3 **Referendum Limit**

Capping criteria enables all PCCs to raise the policing element of local taxation to increase the Band D equivalent charge by £10. The PCC intends to use the precept flexibility to increase the Band D equivalent charge by £9.33 (4.99%) to invest in front line policing. Within West Yorkshire, around 70% of Council Tax payers are in bands A, B and C which in reality will mean a less than 80 pence per month increase for most Council Tax Payers.

Our budget Survey currently shows that 79% of respondents across West Yorkshire would support a police council tax increase of £9.33. The detailed results of the survey are shown at **Appendix A**.

The survey commenced on the 17th of January and will close on the 31st of January 2019 including both on-line and postal returns.

5. FUNDING STRATEGY

Reserves and Balances

- 5.1 An analysis of the reserves position is set out at **Appendix B**.
- 5.2 The focus of the financial strategy is on sustainability and affordability. Whilst again a significant level of revenue reserves (£3.4m) will be used to fund spending plans, this is to further ensure the “front-line” numbers do not reduce further while organisational transformation continues that will reduce costs in future years.

The Reserves Strategy reflects significant investment in transformation over the short to medium term with reserves held for risk, in line with the CIPFA 2014 guidance, and PFI costs only by the end of financial year 2023-24. If the Home Office capital funding position does not change for the next CSR period (currently it is £0.45m per year) this strategy will need to be revisited to ensure that there is sufficient funding to continue to refresh vital digital capabilities that help to maximise front line visibility and efficiency.

The current level of general balances is around 3% of the net revenue budget, in line with the published Reserves Strategy.

- 5.3 The Chief Constable of West Yorkshire Police continues to implement the Programme of Change to help transform the organisation and achieve the required savings and meet the challenging and changing policing requirements in West Yorkshire. Work on digital transformation continues with enhancements to the handheld devices, further enhancing an improved central IT operating system, and platform capability. Investment to enhance digital forensic capability is crucial and will be a significant area of growth for West Yorkshire Police in the coming years.
- 5.4 The investment in the future of policing and community safety is of paramount importance to all of us as we have faced unprecedented cuts and austerity in recent years, as we work towards the shared vision of making sure West Yorkshire is safe and feels safe.

6. PRECEPT OPTIONS CONSIDERED BY THE PCC

- 6.1 Two options have been considered by the PCC in relation to the precept:
- 1) Increasing the Police Precept by £5 on the Band D equivalent
 - 2) Increasing the Police Precept by £9.33 (18 pence per week) on a Band D property to exercise the up to £10 flexibility given to all PCCs for 2020/21

Key to the discussions was the consideration of future demands on West Yorkshire Police, feedback from the budget survey and the uncertainty that remains over funding for West Yorkshire in the medium to long term, set out within the report.

The PCC continues to work closely with partners to look at how we can work better together to make the best use of resources and continue to provide improved community safety and policing services to the people of West Yorkshire.

6.2 Budget Survey

The PCC has recently undertaken a 'Budget Survey' to gain views from members of the public around policing. The survey results provide a clear indication on the part of the majority of respondents that they support the PCC in raising the band D equivalent of the policing element of Council Tax by £9.33 to provide investment into additional front line policing. **79% of respondents said they would be prepared to increase their contribution on the proposal set out.**

6.3 The results are shown at **Appendix A** and summarised by band below:

Q: Respondents' Council Tax Band	% of all respondents	No. of respondents	% supporting precept increase
A	17%	212	79%
B	17%	206	77%
C	15%	179	82%
D	23%	278	79%
E	7%	83	80%
F	2%	30	80%
G	1%	18	94%
H	0%	6	n/a
Don't know	18%	225	78%
Total	100%	1237	79%

6.4 A £9.33 increase would take the Band D police council tax for 2019/20 to £196.28 a year. Approximately 61% of households in West Yorkshire are in Bands A and B, and would pay £130.85 and £152.66 a year respectively, an increase of approximately 12 pence per week for band A, 14 pence per week for band B and 18 pence per week for band D.

7. DECISION BY THE PCC

7.1 Relevant considerations for the PCC in making his decision included:

- Police and Crime Plan consultation feedback
- Operational resilience
- Public views obtained from the Budget Survey
- The impact on frontline policing and the potential for recruitment of police officers in 2020/21 and beyond

- The impact on council taxpayers
- Future financial health, including the adequacy and utilisation of reserves and balances
- The robustness of financial and organisational management processes in place
- Savings made to date and the capacity for future savings
- The uncertainty of future funding for the change in pensions costs
- The uncertainty of funding in the next Comprehensive Spending Review (CSR)
- The uncertainty of the outcome to a change in the police funding formula which accounts for around 72% of the West Yorkshire budget

7.2 The PCC was conscious of the current level of the police council tax which is the third lowest in England and Wales, the current difficult economic climate facing the public, and the longer term requirement to make significant additional savings in the budget.

7.3 Continuing the recruitment of police officers and specialist staff, protecting the current number of PCSOs to support the frontline as far as possible are priorities for the PCC, they were his election pledges and require a sustainable source of revenue funding underpinned by the Special Constables and police volunteers strategy going forward.

This has been a challenge given the current economic climate, and the PCC is acutely aware of the potential financial impact on individuals within the community, but also takes note of the wider public views and feedback with a majority (79%) supporting the level of increase proposed.

The PCC feels that, despite personal impacts in communities, maintaining and rebuilding core operational resilience is imperative in order to keep the communities of West Yorkshire safe and feeling safe and this view is supported by the majority of the survey respondents.

7.4 The PCC has therefore decided to support Option 2, and the MTFF and summary movement statement from 2019/20 to 2020/21 are attached at **Appendices C and D**.

7.5 The PCC notifies the Panel of his intention to increase the police precept by £9.33 on Band D in line with the Home Office funding statement expectations. Each 1% on the police precept generates around £1.238m based on the 2020/21 tax base and would be built into the base budget going forward to provide more certainty around resources.

7.6 The PCC's proposal would result in a budget of £475.952m. Alongside the savings made through the Programme of Change, this will allow **PCSO numbers to be maintained at 603** despite reductions in partner funding and additional Police Officer recruitment of 311 and Police

Staff recruitment in excess of 100 (**See Appendix F which provides detail on the benefits that the proposed investment would bring**).

8. RECOMMENDATIONS

- 8.1 The PCC recommends that the Panel agrees his proposed Police precept figure of £130,024,749 which would result in an increase to the police council tax of £8m.**

This would increase the council tax for band D households from £186.95 to £196.28. However, approximately 61% of households in West Yorkshire are in Bands A and B, which would increase from £124.63 to £130.85 and from £145.41 to £152.66 respectively per year.

The proposed increase in police precept would amount to less than £8 per annum for most households in West Yorkshire, an increase of less than 15 pence per week, to help secure extra investment into front-line policing.

Appendices:

- A Budget Survey Results.
- B Reserves and Balances.
- C Medium Term Financial Forecast
- D Movement Statement 2019/20 to 2020/21
- E Chart showing Band D Police Precept levels in England and Wales
- F Operational Benefit of the Investment